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## **Senate kills Single Business Tax, breathes life into Michigan economy**

**LANSING** – Michigan’s nationally unique and widely despised Single Business Tax will cease to exist on Dec. 31, 2007, said state Senator Laura M. Toy, 6th District.

In a historic vote in both chambers of the Michigan Legislature, a citizen initiative to repeal the tax was approved Wednesday.

“When you look at the big economic deals the state has closed recently like Google and Ford, they all involve huge Single Business Tax credits,” Sen. Toy said. “We need to come up with a fairer tax structure that doesn’t penalize companies for adding workers or offering healthcare benefits.”

This is not the first time the Legislature has voted to eliminate the SBT, but this time the measure cannot be vetoed by the governor because it was brought before lawmakers by a citizen sponsored petition drive.

“Our economy today is different than it was three decades ago,” Sen. Toy said. “By recognizing this and making appropriate changes to our business tax structure, we are sending a strong message to entrepreneurs across the country and the globe that Michigan is open for business.”

In May, a bipartisan committee was appointed to study a replacement for the SBT. While the committee will look at several alternatives to replace SBT revenues, tax increases on individuals will not be considered.

The committee’s recommendations are due no later than Dec. 1, giving the Legislature more than a year to hammer out a replacement.

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